REMARKS

Claims 1-9 and 12-20 are pending in this application. For purposes of expedition, claims 10-11 have been canceled without prejudice or disclaimer.

Claims 1-9 and 13-16 have been amended in several particulars for purposes of clarity and brevity that are unrelated to patentability and prior art rejections while Claims 17-20 have been newly added in accordance with current Office policy, to further and alternatively define Applicants' disclosed invention and to assist the Examiner to expedite compact prosecution of the instant application.

Claim 4 has been conditionally allowed if rewritten in independent form to include all of the limitations of its base claim 3. The Examiner's indication of allowability of these claims is noted with appreciation. For purposes of expedition, claim 17 has been newly added to capture all limitations of claim 4 as incorporated into claim 3. As a result, claim 17 is now deemed in condition for allowance. For purposes of completeness, claims 18-22 have been newly added to depend upon the now allowed claim 17. These newly added claims 17-22 are believed to be in condition for allowance. As for claim 4, forbearance is respectfully requested pending Applicants' traversal of the outstanding rejection of base claim 3.

The drawings have been also objected to because FIGs. 1-5 are not designated by a legend such as "Prior Art." However, this objection is incorrect and should be withdrawn. FIGs. 1-5 are not believed to constitute "prior art" as that term is defined by either 35 U.S.C. §102 or 35 U.S.C. §103. Rather, these drawings are simply abstract representations of the art prepared by Applicants in an effort to illustrate Applicants' discovery of problems plagued in the art; this discovery is itself,

together with Applicants' abstraction of the art represented by FIGs. 1-5, part of Applicants' invention. The figures are therefore, Applicants' work products and Applicants' effort to describe his invention in terms of both the problems which have plagued in the art and which Applicants have addressed with the inventions defined by the claims. In view of these explanations, Applicants trust that the objection will be withdrawn.

Claim 6 has been objected to because the "terminal" is missing. In response thereto, claim 6 has been amended to overcome the objection.

Claims 1, 14 and 16 have been rejected under 35 U.S.C. §112, 2d ¶, as being indefinite for reasons stated on pages 3-4 of the Office Action (Paper No. 6). In response thereto, claim 1 has been amended to establish relationship between the "camera" and the "processor unit" to overcome the rejection. Claim 14 has been amended to clarify the antecedent basis for the "first ID" and "second ID". Similarly, claim 16 has been amended to incorporate the term "video bitstream" as suggested by the Examiner. As amended, Applicants respectfully request that the rejection be withdrawn.

Claims 2, 12, 13 and 16 have been rejected under 35 U.S.C. §102(b) as being anticipated by Itoh, JP Publication No. 08-107389, assigned to Hitachi Ltd., the same assignee of the instant application for reasons stated on pages 5-10 of the Office Action (Paper No. 6). However, the rejection is respectfully traversed. Applicants submit that the features of Applicants' base claims 2, 12, 13 and 16 are **not** disclosed or suggested by Itoh, JP Publication No. 08-107389. Therefore, Applicants respectfully request the Examiner to reconsider and withdraw this rejection for reasons discussed *in seriatim* herein below.

Base claim 2 defines a video or still image information generating apparatus, as shown, for example, in FIG. 7 (1st embodiment), FIG. 13 (2nd embodiment), and FIG. 22 (3rd embodiment), as comprising:

- (1) means for creating a video bitstream or still image information in a condition that an appropriate fee has been paid; and
- (2) means for creating a protection code to be associated with the bitstream or still image information depending on the paid fee (See, page 10, lines 17-20 of Applicants' specification).

In contrast to Applicants' base claim 2, Itoh '389 discloses a fee charging system for video information, as shown in FIG. 1. According to Itoh '389, an accounting information decode circuit 8 is provided to perform accounting by decoding accounting information extracted from a received signal (See paragraph [0004] and paragraph [0009]). The accounting information is added at a fixed spacing to a scrambled signal by sending-out equipment in Satellite Broadcasters or a CATV office as shown in FIG. 3.

However, there is **no** disclosure from Itoh '389 nor is there any teaching or suggestion of Applicants' claimed "means for creating a video bitstream or still image information in a condition that an appropriate fee has been paid" and "means for creating a protection code to be associated with the bitstream or still image information depending on the paid fee" as expressly defined in base claim 2.

The rule under 35 U.S.C. §102 is well settled that anticipation requires that each and every element of the claimed invention be disclosed in a single prior art reference. <u>In re Paulsen</u>, 30 F.3d 1475, 31 USPQ2d 1671 (Fed. Cir. 1994); <u>In re Spada</u>, 911 F.2d 705, 15 USPQ2d 1655 (Fed. Cir. 1990). Those elements must

either be inherent or disclosed expressly and must be arranged as in the claim.

Richardson v. Suzuki Motor Co., 868 F.2d 1226, 9 USPQ2d 1913 (Fed. Cir. 1989);

Constant v. Advanced Micro-Devices, Inc., 848 F.2d 1560, 7 USPQ2d 1057 (Fed. Cir. 1988); Verdegall Bros., Inc. v. Union Oil Co., 814 F.2d 628, 2 USPQ2d 1051 (Fed. Cir. 1987). The corollary of that rule is that absence from the reference of any claimed element negates anticipation. Kloster Speedsteel AB v. Crucible Inc., 793 F.2d 1565, 230 USPQ2d 81 (Fed. Cir. 1986).

The burden of establishing a basis for denying patentability of a claimed invention rests upon the Examiner. The limitations required by the claims cannot be ignored. See In re Wilson, 424 F.2d 1382, 165 USPQ 494 (CCPA 1970). All claim limitations, including those which are functional, must be considered. See In re Oelrich, 666 F.2d 578, 212 USPQ 323 (CCPA 1981). Hence, all words in a claim must be considered in deciding the patentability of that claim against the prior art. Each word in a claim must be given its proper meaning, as construed by a person skilled in the art. Where required to determine the scope of a recited term, the disclosure may be used. See In re Barr, 444 F.2d 588, 170 USPQ 330 (CCPA 1971).

In the present situation, Itoh '389 fails to disclose and suggest key features of Applicants' base claim 2. Therefore, Applicants respectfully request that the rejection of claim 2 be withdrawn.

Similarly, base claim 12 defines a multimedia communication terminal apparatus, as shown, for example, in FIG. 11, comprising:

means for receiving and storing an ID code specifying a video bitstream or a still image stored in a storage of a server; means for creating a destination information; and means for transmitting said ID code and said destination

information to said server, wherein said server distributes the video bitstream or still image specified by said ID code to a destination specified by said destination information.

As expressly defined in Applicants' base claim 12, the multimedia communication terminal is provided to create both an ID code and destination information so as to request a server to distribute a video bitstream or still image information specified by the ID code to a destination specified by destination information.

In contrast to Applicants' base claim 12, Itoh '389 discloses the use of accounting information for the toll charge system. However, accounting information is **not** and does **not** correspond to Applicants' claimed "ID code" as defined in base claim 12.

In addition, the Examiner cites item 7 as a transmitter for creating a destination text (information). However, item 7 of Itoh '389 refers to a circuit for selectively outputting one of input signals and does **not** correspond to Applicants' claimed "destination information" as defined in base claim 12.

Therefore, in view of the foregoing deficiencies of Itoh '389, Applicants submit that there is **no** anticipation of Applicants' base claim 12 under 35 U.S.C. §102(b) based on Itoh '389. As a result, Applicants respectfully request that the rejection of base claim 12 be withdrawn.

Similarly, base claim 13 defines a video or still image distribution server comprising:

means for receiving and storing into a storage a video bitstream or still image information in association with a first ID uniquely specifying the video bitstream or still image information; means for receiving from a communication terminal, a transmission request including destination information and a second ID

identifying the video bitstream or still image information, retrieving from the storage a video bitstream or still image information having the first ID matched with the second ID, and distributing the retrieved video bitstream or still image information to a destination specified by said destination information.

As expressly defined in Applicants' base claim 13, a video distribution server to which a multimedia communication terminal as defined in base claim 12 is provided to request distribution of a video bitstream or still image information specified by an ID code (i.e., when a first ID matches a second ID) to a destination specified by destination information.

Again, Itoh '389 discloses the use of accounting information for the toll charge system, and does **not** disclose Applicants' claimed "first ID code" and "second ID code" used in the manner suggested by base claim 13.

Therefore, in view of the foregoing deficiencies of Itoh '389, Applicants submit that there is **no** anticipation of Applicants' base claim 13 under 35 U.S.C. §102(b) based on Itoh '389. As a result, Applicants respectfully request that the rejection of base claim 13 be withdrawn.

Lastly, base claim 16, as amended, defines a video or still image information system comprising a combination of a video or still information generating apparatus; a distribution server; and a first multimedia communication terminal,

wherein said video or still information generating apparatus comprises:

means for creating a video bitstream or still image information in condition that an appropriate fee is paid or will be positively paid at a predetermined time;

means for outputting the video bitstream or still image information together with a copy protection code issued in correspondence with a fee paid; and

means for outputting an ID identifying the video bitstream or still image information;

wherein said video distribution server is configured to receive

and store the video bitstream or still image information as well as the ID identifying the video bitstream or still image information;

wherein said first multimedia communication terminal comprises: means for receiving and storing the ID identifying the video bitstream or still image information stored in said video distribution server:

means for creating a destination; and

means for transmitting the ID and the destination to said video distribution server to request said video distribution server to distribute the video bitstream or still image information; and

wherein said video distribution server further comprises means for comparing the ID received from said first multimedia communication terminal with the ID received from said video information generating apparatus in order to retrieve a requested video bitstream or still image information in the storage and to distribute the requested video bitstream or still image information to a second multimedia communication terminal specified by said destination.

Again, Itoh '389 does **not** disclose a system which comprises a video or still information generating apparatus, a distribution server, and a first multimedia communication terminal, as shown, for example, in FIG. 6 (1st embodiment), FIG. 11 (2nd embodiment), and FIG. 21 (3rd embodiment) with specific components with reference to the use of (1) copy protection code issued in correspondence with a paid fee; (2) ID identifying a video bitstream or still image information; and (3) distribution based on the matching of ID codes in the manner defined in Applicants' base claim 16.

Again, in view of the foregoing deficiencies of Itoh '389, Applicants submit that there is **no** anticipation of Applicants' base claim 16 under 35 U.S.C. §102(b) based on Itoh '389. As a result, Applicants respectfully request that the rejection of base claim 16 be withdrawn.

Separately, claim 2 has been rejected under 35 U.S.C. §102(e) and (f) as being anticipated by Yoshizawa, U.S. Patent No. 6,002,694 for reasons stated on pages 10-11 of the Office Action (Paper No. 6). However, Applicants submit that key

features of Applicants' base claim 2 are **not** disclosed or suggested by Yoshizawa, U.S. Patent No. 6,002,694, and respectfully request the Examiner to withdraw this rejection for reasons discussed herein below.

As previously discussed, base claim 2 defines a video or still image information generating apparatus, as shown, for example, in FIG. 7 (1st embodiment), FIG. 13 (2nd embodiment), and FIG. 22 (3rd embodiment), as comprising:

- (1) means for creating a video bitstream or still image information in a condition that an appropriate fee has been paid; and
- (2) means for creating a protection code to be associated with the bitstream or still image information depending on the paid fee (See, page 10, lines 17-20 of Applicants' specification).

In contrast to Applicants' base claim 2, Yoshizawa '694 discloses an interactive chargeable broadcast (communication) system, as shown in FIG. 6, in which a user receiving a scrambled program can watch and/or hear a program by descrambling the program by using a dedicated decoder while paying based on Pay-Per-View (PPV) system in which only program received by the user is billed. Improvements reside in a billing system in which billing to subscribers can be done reliably while preventing infringement of copyright of video software.

However, there is **no** disclosure from Yoshizawa '694 nor is there any teaching or suggestion of Applicants' claimed "<u>means for creating a video bitstream</u> or still image information in a condition that an appropriate fee has been paid" and "<u>means for creating a protection code to be associated with the bitstream or still image information depending on the paid fee" as expressly defined in base claim 2.</u>

Nevertheless, the Examiner cites column 11, lines 45-48; FIG. 4, and column 12, lines 65 extending to column 13, line 4 of Yoshizawa '694 for allegedly disclosing these features. However, the Examiner's citation is misplaced. Column 11, lines 45-48 of Yoshizawa '694 describes that "a billing check circuit 414 for producing a billing information for the program reception fee on the basis of the program information separated by the separator circuit". Further, col. 12, line 65 extending to col. 13, line 4 relates to the operation of a copy guard circuit to inhibit a video signal from recording/reproducing in a VTR. Neither cited portions of Yoshizawa '694 discloses what the Examiner alleges, that is, Applicants' claimed "means for creating a video bitstream or still image information in a condition that an appropriate fee has been paid" and "means for creating a protection code to be associated with the bitstream or still image information depending on the paid fee". Moreover, Applicants' base claim 2 defines a video or still information generating apparatus at a camera side, and has no relation to the VTR as disclosed by Yoshizawa '694.

In view of the foregoing deficiencies of Yoshizawa '694, Applicants respectfully request that the rejection of claim 2 be withdrawn.

Claims 10-11 have been rejected under 35 U.S.C. §102(e) as being anticipated by Kanota, U.S. Patent No. 5,991,500 for reasons stated on pages 11-13 of the Office Action (Paper No. 6). While Applicants disagree with the Examiner's assessment of Kanota '500, claims 10-11 have been canceled without prejudice or disclaimer in the interest of expedition to render the rejection moot.

Lastly, claims 1, 3, and 5-9 have been rejected under 35 U.S.C. §103(a) as being unpatentable over Itoh, JP Publication No. 08-107389, as modified to incorporate selected features from Jung et al., U.S. Patent No. 4,862,290 for reasons

stated on pages 14-25 of the Office Action (Paper No. 6). Specifically, the Examiner relies on a representation that Itoh '389 discloses all aspects of Applicants' claims 1, 3 and 5-9, except for the use of a camera, which is cited by Jung '290. However, that representation is factually flawed and incorrect for reasons discussed above, i.e., Itoh '389 does **not** disclose the use of (1) copy protection code issued in correspondence with a paid fee; (2) ID identifying a video bitstream or still image information; and (3) distribution of video bitstream or still image information based on the matching of ID code, as generally defined in Applicants' claims 1, 3 and 5-9. As a result, even if the camera as disclosed by Jung '290 is incorporated into Itoh '389 in the manner suggested by the Examiner, the incorporation still does **not** arrive at Applicants' claims 1, 3 and 5-9.

In view of these reasons, Applicants respectfully request that the rejection of Applicants' claims 1, 3, and 5-9 under 35 U.S.C. §103(a) as being unpatentable over Itoh, JP Publication No. 08-107389, and Jung et al., U.S. Patent No. 4,862,290 be withdrawn.

In view of the foregoing amendments, arguments and remarks, all claims are deemed to be allowable and this application is believed to be in condition to be passed to issue. Should any questions remain unresolved, the Examiner is requested to telephone Applicants' attorney at the Washington DC area office at (703) 312-6600.

To the extent necessary, Applicants petition for an extension of time under 37 CFR §1.136. Please charge any shortage of fees due in connection with the filing of this paper, including extension of time fees, to the Deposit Account of Antonelli, Terry, Stout & Kraus, No. 01-2135 (Application No. 520.38867X00), and please credit any excess fees to said deposit account.

Respectfully submitted,

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